IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

MAGNEQUENCH INTERNATIONAL, INC.,))
)
Plaintiff,)
)
v.) C.A. No. 04-135 (GMS)
)
SONY CORPORATION, SONY CORPORATION)
OF AMERICA, SONY ELECTRONICS, INC.,)
ACER INC., ACER AMERICA CORPORATION,)
ASUSTEK COMPUTER INC., ASUS COMPUTER	2)
INTERNATIONAL INC., I/OMAGIC)
CORPORATION, IOMEGA CORPORATION, LG)
ELECTRONICS, INC., LG ELECTRONICS USA,)
INC., LG INNOTEK COMPANY, LTD., LG)
INNOTEK USA, INC., LITE-ON TECHNOLOGY)
CORPORATION, LITE-ON TECHNOLOGY)
INTERNATIONAL, INC., LITE-ON)
PERIPHERALS, INC., LITE-ON INFORMATION)
TECHNOLOGY CORPORATION, MEMOREX)
PRODUCTS (TAIWAN) LTD., MEMOREX)
PRODUCTS, INC., MICRO-STAR)
INTERNATIONAL COMPANY, LTD., MSI)
COMPUTER CORPORATION, MITSUMI)
ELECTRIC COMPANY, LTD., MITSUMI)
ELECTRONICS CORPORATION, TEAC)
CORPORATION, TEAC AMERICA, INC., AND)
VICTOR COMPANY OF JAPAN, LIMITED,)
)
Defendants.)
)
)

STIPULATION AND [PROPOSED] ORDER DISMISSING THIS ACTION WITHOUT PREJUDICE AS TO THE DEFENDANTS MEMOREX PRODUCTS, INC. AND MEMOREX PRODUCTS (TAIWAN), INC.

IT IS HEREBY STIPULATED AND AGREED by and between plaintiff Magnequench International, Inc. ("Magnequench"), and defendants, Memorex Products, Inc. and Memorex Products (Taiwan), Inc. (collectively "Memorex"), by and through their undersigned

counsel of record, that, pursuant to Rule 41 of the Federal Rules of Civil Procedure, this action be and hereby is dismissed in its entirety without prejudice as to Memorex subject to the terms of the March 10, 2005 Settlement Agreement between Magnequench and Memorex ("Settlement Agreement"), and that each party shall bear its own costs and expenses, including attorney fees, incurred in connection with this action. Magnequench's Complaint with regard to the other defendants remains in effect unless and until specifically dismissed.

STIPULATED AND AGREED TO:

June 21, 2005 June 21, 2005

MORRIS, NICHOLS, ARSHT & TUNNELL FISH & RICHARDSON, P.C.

/s/ Mary B. Graham /s/ Sean Paul Hayes

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Memorex Products, Inc. and

Attorneys for Plaintiff Memorex Products, Inc. and
Memorex Products (Taiwan), Inc.

Magnequench International, Inc.

Dated: _____ So Ordered: ____

United States District Judge